



June 1, 2007

VIA OVERNIGHT MAIL

Mr. Charlie Goff
Senior Energy and Climate Change Analyst
Natural Gas STAR Program
Eastern Research Group
2200 Wilson Boulevard, Suite 400
Arlington, VA 22201-3324

Re: Quicksilver Resources Inc.
2006 Annual Report

Dear Mr. Goff:

Enclosed is our STAR Program 2006 Annual Report.

Please accept my humble apologies for being so late in getting the report to you. Additionally, I want to especially thank you and Carey for being so helpful and patient.

Regarding the Data Collection and Management Tool Information that was previously entered for Quicksilver, we do want to delete and/or revise this information. I will be calling Darcy Honabarger shortly for her assistance in taking care of this matter.

If you have any questions, please feel free to call.

Sincerely,

Maggie Aclin
Environmental Assistant

Enclosure

Annual Report 2006



Production Sector

Company Information

Company Name: Quicksilver Resources Inc.
Gas STAR Contact: Maggie Aclin
Title: Environmental Assistant
Address: 777 West Rosedale
Suite 300
City, State, Zip Code: Fort Worth, TX 76104
Telephone: 817-665-4975
Fax: 817-665-5009
E-mail: maclin@qrinc.com

Annual Report Summary

Please mark the Best Management Practices your company implemented and submit a report page for only those practices

- ☐ BMP 1: Identify and replace high-bleed pneumatic devices
☐ BMP 2: Install flash tank separators on glycol dehydrators
☒ BMP 3: Partner Reported Opportunities (*Please specify*)

Install Vapor Recovery Unit

Period covered by report: From: 5/9/2006 To: 12/31/06

Signature:

Maggie Aclin

Date:

5/31/07

* In addition to reporting methane emissions reductions, you are welcome to include other information about your company's participation in Natural Gas STAR in the "Additional Program Accomplishments" section of this form. The Natural Gas STAR Program will use any information entered in this section to recognize the efforts and accomplishments of outstanding partners.



Production Sector Annual Report

BMP 3: Partner Reported Opportunities (PROs)

(For more details on PROs, visit www.epa.gov/gasstar/techprac.htm)

Current Year Activities

A. Activity description: Please provide a separate PRO reporting form for each activity reported

Check one of the following:

- ☒ Install vapor recovery units (VRUs)
- ☐ Perform reduced emission completions
- ☐ Install electronic safety devices
- ☐ Install instrument air systems
- ☐ Eliminate unnecessary equipment and/or systems
- ☐ Other (Please specify): _____

Please describe how your company implemented this practice/activity:

B. Level of Implementation (check one):

- ☐ Number of units installed: 1 units
- ☐ Frequency of practice: _____ times/year

C. Are these emissions reductions (check one):

- ☒ Continuing/ongoing
- ☐ One-time

D. Methane emissions reduction: 31,085 Mcf

E. Cost summary: Estimated cost of implementing this practice/activity (including equipment and labor): \$ _____

Please identify the basis for the emissions reduction estimate, using the space provided to show any calculations

- ☒ Actual field measurement-Electronic Flow Measurement (EFM)
- ☐ Calculation using manufacturer specifications/other source
- ☐ Other (Please specify)

F. Total value of gas saved: \$ 217,595

G. To what extent do you expect to implement this practice next year?

Total value of gas saved
= Methane emissions reduction (in Mcf)
x Gas value (in \$/Mcf) [If not known, use default of \$7.00/Mcf]

Previous Years' Activities

Use the table below to report any past implementation of this PRO, but not previously reported to Natural Gas STAR

Year	Frequency of Practice/Activity or # of Installations	Total Cost of Practice/Activity (incl. equipment and labor) (\$)	Estimated Reductions (Mcf/yr)	Value of Gas Saved (\$)

BMP 3 Comments/Additional Benefits: Please describe any additional economic, operational, environmental, or safety benefits achieved by implementing this practice/activity. Use the back of the page for additional space if needed.



Production Sector Annual Report

The Natural Gas STAR Program will use any information entered here to recognize the efforts and achievements of outstanding partners.

Please include any additional information you would like to share about your company's participation in Natural Gas STAR. Examples may include:

- Activities to strengthen your program (e.g., training/education, innovative technologies or activities, pilot projects, employee incentive programs).
 - Efforts to communicate your participation and successes (e.g., internal newsletters, press releases, company Web site).
 - Participation in Natural Gas STAR program activities (e.g., contributions to case studies, presentation at annual workshop).
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Additional Accomplishments:

1. Annual pipeline leak inspection;
2. Annual valve inspection (pipe to soil reading);
3. Semi-annual release valve testing;
4. Quarterly inspection of road and railroad crossing areas;
5. Monthly rectifier readings;
6. Every 3 years atmospheric corrosion survey (2007); and
7. Every two week aerial liquid line inspection.